Government aware that Prohibition Act is working very well in Malabar without large infringement of the provisions of the law? Will the Government, therefore, resonsider their orders and permit tapping and sale of neera?

THE HON. SRI B. PARAMESWARAN : Sir, they have abused the licences that were given to them and therefore the District Superintendent of Police and the Registrar of Co-operative Societies thought it fit not to encourage the tapping and sale of neera by giving further licences to the people of Malabar.

Withdrawal of recognition of Municipal Teachers' Union, Cannanore.

*2861 Q.—SRI T. C. NARAYANAN NAMBIAR (on behalf of Sri K. P. Gopalan) : Will the Hon. the Minister for Finance be pleased to state—

(a) whether it is a fact that recognition given to the Municipal Teachers' Union, Cannanore, was withdrawn by the Government; and

(b) if so, the reasons therefor?

THE HON. SRI C. SUBRAMANIAM : (a) & (b) Recognition by Government of Teachers' Unions has been held unnecessary. Hence the order of Government in the matter was cancelled. The unions can now function without Government recognition.

SRI T. C. NARAYANAN NAMBIAR : Will the Hon. Minister kindly inform whether Government Order No. 416, dated 25th February 1939, is not in operation now? This Government Order prohibits any teacher joining a union which has not the recognition of the Director of Public Instruction.

THE HON. SRI C. SUBRAMANIAM : That Government Order was held invalid by the High Court. It is not in operation now.

Stock of foodgrains.

*2862 Q.—SRI M. NARAYANA KURUP : Will the Hon. the Minister for Agriculture be pleased to state—

(a) the stock of foodgrains held by the Government in the State as a whole and by the Producers'-*cum*-Consumers' Co-operative Societies in Malabar at the end of June 1955;

(b) whether any stock was disposed of during the period from March to June 1955; and

(c) whether Government suffered any loss in the transaction?

THE HON. SRI M. BHAKTAVATSALAM : (a) There was a total stock of 8,681·4 tons in terms of rice held by the Government in the State as a whole at the end of June 1955.

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There were no stocks with the Producers'-*cum*-Consumers' Co-operative Societies in Malabar at the end of June 1955.

There were no stocks of foodgrains other than rice and paddy (i.e., wheat or millets) with the Government at the end of June 1955.

(*b*) A quantity of 14,477·78 tons in terms of rice was disposed of by tender in Malabar district during this period with the approval of the Government of India.

(*c*) No, Sir. The Government of India have agreed to bear the entire estimated loss of Rs. 33·22 lakhs in the transaction.

District Central Co-operative Banks.

* 2863 *Q.*—SRI S. C. VIRUPAKSHIAH : Will the Hon. the Minister for Health be pleased to state the rate of interest that is charged by the Reserve Bank of India or the State Bank on credits afforded to the District Central Co-operative Banks, the rate charged by the latter in their turn for loans given to the Rural Co-operative Societies?

THE HON. SRI A. B. SHETTY : The Reserve Bank lends at 1½ per cent per annum to the Madras State Co-operative Bank. The Madras State Co-operative Bank lends at 2½ per cent per annum to the District Central Co-operative Banks, while the latter in turn lend at 4½ per cent per annum to the Rural Credit and Marketing Societies.

SRI S. C. VIRUPAKSHIAH : May I know whether the interest charged by the District Central Co-operative Banks to Rural Credit and Marketing Societies is fair?

THE HON. SRI A. B. SHETTY : The Registrar has taken up the question of reducing the rate of interest to the ultimate borrower from 6½ per cent to 5½ per cent.

SRI S. RAMALINGAM : The Reserve Bank lends at 1½ per cent per annum to facilitate people getting easy credit facilities. But ultimately the people are charged interest at 6½ per cent per annum. Will the Government see that all intermediaries are abolished so that the people in the villages may get credit facilities at a lower rate of interest?

THE HON. SRI A. B. SHETTY : It is not possible to abolish the intermediaries. Money does not come from the Reserve Bank only. Money is also found out of the funds from the deposits and the bank has to pay a fairly high rate of interest for deposit amounts, because it has to compete with other money-lending concerns which accept deposits.